also such as resettlement & rehabilitation problems, land acquisition problems, contractual problems, court litigations etc. which hamper the progress of irrigation projects. As on 1st March, 2006 there are 158 major and 212 medium ongoing irrigation projects, including 2 medium irrigation projects in Tamil Nadu, which have spilled over from the Ninth Five Year Plan to Tenth Five Year Plan with a balance cost of the order of Rs. 90,514 crore (as on 1.4.2004).

(c) and (d) The Central Government is providing Central Loan Assistance (CLA) under the Accelerated Irrigation Benefits Programme (AIBP) for such approved irrigation projects which are in an advanced stage of construction and beyond resources capability of the States that can be completed in the next four financial years as per the guidelines of the Programme. An amount of Rs. 18.387 crore has been released under AIBP as CLA/grant upto February, 2006 for 191 major/medium irrigation projects and 4472 surface water minor irrigation schemes. With the assistance provided, 49 major/medium irrigation projects and 3179 surface water miner irrigation schemes have been reported as completed.

Diversion of funds released as central loan assistance under AIBP

2394. SHRI R.K. ANAND: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether it is a fact that fast track projects introduced in 2002 for focussing on completion of selected projects within one year has failed to have the desired impact as none of the 29 projects of the fast track were completed despite spending Rs. 12,823 crores during 1996—2003;

(b) if so, the details thereof;

(c) whether there have been cases of diversion/mis-utilization of funds released as CLA under AIBP; and

(d) if so, how much funds were diverted and what action has been taken against the guilty people?

THE MINISTER OF WATER RESOURCES (PROF. SAIF-UD-DIN SOZ): (a) and (b) Irrigation is a State subject and the planning, execution, funding, operation and maintenance of irrigation projects are primarily the responsibility of the State Governments based on their priorities. The main objective of introducing Fast Track Programme under Accelerated Irrigation

benefits Programme (AIBP) was to complete such major/medium irrigation projects which can be completed in one year by providing total balance cost of the project to the States. Besides funds requirements, these projects encountered various constraints like Resettlement and Rehabilitation problems, land acquisition problems, contractual problems, delay in transfer of funds to the Project executing Authorities by the States' Finance Department and inadequate outlay by the State Governments. As reported by the State Governments among the projects included under Fast Track Programme of AIBP, 3 projects were completed during 2003-04, 9 projects were completed during 2004-05 and 3 projects were completed during 2005-06 (upto February, 2006).

(c) and (d) The Comptroller and Auditor General of India (C&AG) in its report No. 15 of 2004 has observed that there have been cases of diversion/ mis-utilization of funds released as Central Loan Assistance under AIBP to the extent of Rs. 741.34 crore by 15 State Governments. The action, if any, contemplated against the guilty people is to be taken by the respective State Governments. However, in order to safeguard diversion/mis-utilization or parking of funds in future, the following steps in the AIBP guidelines were introduced:

i. The grant component together with the required loan component must be released to the project authorities by the State Government within 15 days of its release by the Government of India.

ii. Utilization Certificate from the State is insisted for release of subsequent installment.

iii Secretary (WR), Government of India in May, 2002 in a letter addressed to various Chief Secretaries of the States conveyed that User Department and the State Finance Department should make a clear averment in the Utilization Certificate that the flow of AIBP funds for their intended end use was not constrained by consideration extraneous to AIBP.

iv. Submission of audited statements of expenditure incurred within 9 months of the closure of the financial year.

v. Visit to the project site by the monitoring team to ascertain the physical progress twice in an year and submission of monitoring reports provide necessary information on the project in terms of physical and financial progress.